

# PRESS RELEASE

## Congressman John Conyers, Jr.

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Dean, Congressional Black Caucus

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### **CONYERS CALLS H.R. 2341 AN INCREDIBLY SIMPLE-MINDED AND ONE-SIDED APPROACH TO A VERY COMPLEX PROBLEM**

Congressman John Conyers, Jr., Ranking Member of the House Judiciary Committee issued the following statement at today's Judiciary Committee Markup regarding H.R. 2341, the "Class Action Fairness Act of 2001."

"H.R. 2341 is an incredibly simple-minded and one-sided approach to a very complex problem, and I hope this Committee has the good sense to slow down and take a deep breath before we so cavalierly trample on the rights of injured Americans. I have a number of very serious reservations with this bill.

First, one has to wonder, why this bill has been placed on the legislative fast track particularly in the midst of one of the greatest corporate rip offs of all time. We should not be even considering legislation that makes it easier for corporate fat cats, their lawyers and their accountants to engage in fraud and deceit.

Changes made by the Republican Congress on behalf of big corporations in the last 5 years has made it much harder for employees who are scammed out of their retirement savings to get any relief.

As part of the Contract with America, the Republican Congress reduced the consequences for corporate bad actors in the area of securities fraud. What they did for securities con artists, they now want to do for every irresponsible corporation in America.

It is time for more corporate responsibility, not less. Our citizens need more protections against being swindled, not less. Yet this bill takes us in precisely the opposite direction.

Second, we ought to keep in mind that there is absolutely no crisis in the state courts. We have not received a shred of testimony that class actions are overwhelming the state court system. However, we do know that because of Congress' increasing propensity to federalize state crimes, we are facing a real workload crisis in the federal judiciary. The result for victims will be far slower access to justice, precisely the result many corporate defendants want.

Third, this bill raises very serious federalism concerns. Although it is described as a simple procedural fix, it could have the effect of wiping out virtually all state class action statutes. This means that even if the vast majority of plaintiffs are from the same state or a particular state is impacted by an action, its citizens will be unable to obtain recourse in their own courts. If there are specific problems we ought to consider fixing those problems, not banning all state class actions.

We owe it to our constituents to protect them from Firestone tires, the Dalkon Shield and deceitful tobacco CEO's. I urge my Colleagues to vote against this legislation which would be very dangerous to consumer rights and safety."

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